



City of Muskegon
Community Development Block Grant
Consolidated Annual Performance and Evaluation
Report
2012 Grant



2012 Program Year CAPER

Executive Summary

An overview of our 2012 projects funded by CDBG and HOME are listed below tracking of the activities beginning July 1, 2012 through June 30, 2013, respectively. Because our current funding was not available, we offered extensions through July 15, 2013 however, we concluded closer to August 25, 2013.

CDBG Chart

Affirmative Action	\$10,000	Supplements Affirmative Action Staff
Code Enforcement	\$50,000	1 of 3 Code Compliance Inspectors
Facade	\$10,000	\$2,000 - \$5,000 grants for Muskegon business owners
Fire Station Bond	\$157,870	City Payments
Admin	\$140,000	Supports CNS staff
Dangerous Building/Demolition	\$40,000	Curtails neighborhood blight
Youth Recreation	\$70,000	Provide grants to local youth centered projects with an emphasis on self-building exercises
Vinyl Siding	\$50,000	Cover cost of vinyl siding eligible homes within city limits
Priority Housing Repair (Emergency Repair)	200,000	Offer housing repairs to low-income families
Service Delivery Housing Repairs and Vinyl Siding	60,000	Specific to the program management
LOVE-Ramps	3,500	Assist eligible households with accessible entry ramps
LOVE – Utilities	4,500	To help families with rent and utility payments to avoid eviction and shut-offs
Street Construction	\$31,986	Assist staff with the necessary oversight and reporting required to complete Getty Street

Our accomplishments in the Integrated Disbursement Information System (IDIS) have been updated and activities closed as it relates to the final draws for 2012. As a result, only one project was canceled and that was for our Street Construction. The engineering department was unable to select and process a street project in an approved neighborhood prior to the close of 2012. There has been an identified project for the upcoming 2013 fiscal year instead.

In addition, two projects were planned to move forward with Façade grants. Only one project was approved for assistance and it was located in Marsh neighborhood, census tract #5.

HOME CHART

HOME Admin	\$24,629	Support for staff working on HOME projects
CHDO Reserve	\$36,944.85	Assist community housing development organizations with required funding to produce affordable housing units
CHDO Operating	\$3,555.15	Staffing miscellaneous operating costs
Infill Housing	\$161,170	Build new home for Home Buyer Program
Rental Rehab	\$20,000	Provide assistance to landlords in the City of Muskegon for lead abatement and rehabilitation

Through our HOME activities we met the goals set forth and were able to rehabilitate one property and complete and sell a newly constructed property in Jackson Hill neighborhood, census tract #42. We canceled two projects that were not able to be acquired as an affordable housing unit.

One of the year's highlights included Muskegon County and our sister cities, Muskegon Heights and Norton Shores, partnering with an Interagency agreement which contracted the Fair Housing Agency of West Michigan (FHA). This agreement enlisted surveys, testing, training and reports of our Muskegon Area Fair Housing behaviors and tendencies. We agreed to reduce the FHA requirement to a mid-year and end of the year report. This saved us all money and between quarters, we really didn't see the need to report so frequently.

As the year ended, we were still attempting to work with MSHDA through a technical assistance (TA) opportunity to form a HOME Consortium for the 2014 funding year. We agreed to accept TA for building a HOME Consortium and Muskegon, Muskegon Heights, Norton Shores, Roosevelt Park and North Muskegon so we included Placemaking strategy our proposal to meet the expectation of MSHDA. The HOME activities that could be added to the other cities will be the driving force to become a regional group benefiting residents in the county. We see the partnership as *possibilities* through a HOME Consortium.

This partnership was halted by the response of MSHDA. Without a certification from MSHDA the local support from the county and other regional affiliates came without an opportunity to proceed. Our current request to HUD was withdrawn because we lacked the required MSHDA certification for our HOME Consortia.

This year, four rental housing units were accepted to our Rental Rehabilitation Program through HOME funding. We funded one CHDO and one property completed

through the assistance of the county's lead grant. 2009 Building Code standards apply and all housing projects whether rehab or new, will comply with these standards.

We continue to work together on the promotion of qualified contractors that provide quality work that meets our housing codes while promoting efforts to reach minority and female-owned businesses. We asked a MSHDA Section 3 staffer to facilitate an informational training for our local contractors. Increasing the number of Section 3 Contractors was our goal and we were amazed to see that some contractors were considering themselves as a designated Section 3 agency and we had no knowledge. Overall, the group was provided with the background and process for reaching Section 3 designation.

General Questions

Any obstacles we faced in meeting the underserved needs could be addressed by funding resources. We do not have a match requirement in our community so the biggest challenge was met head on by the reduction of Muskegon's 2011 grant allocation. We made policy changes to offset less funding, we continue to serve low income households and ultimately we can only fund one sub-recipient agency to help meet this goal. In the end, we lost some staple programs but the city uses a portion of its general fund resources to provide youth with after-school activities, open gym and fund a number of summer programs offered throughout our city.

Managing the Process

Community and Neighborhood Services works as the city's liaison to comply with planning requirements and programs. We were selected to receive a monitoring visit from Detroit HUD for our HOME Program and activities associated with compliance issues. As a result we looked at policies, procedures, programs, statutes, regulations and projects invested with HOME dollars. The monitoring allowed us to enhance our core programs for future coordination as we build a HOME Consortium. As the Lead Agency, we can use this monitoring report to fill the gaps in our current process as we move forward with a HOME Consortium in 2014.

Fair Housing

LEAD BASED PAINT

The County of Muskegon's application was approved and continues to assist citizens throughout the county through a Lead Hazard Reduction Program managed by Public Health Muskegon County. As before, the City of Muskegon continues to commit funding to rentals units within our city limits who agree to test for Lead Based Paint hazards.

- We provide referrals from our past Lead Grant.
- We publicized the program to every property owner requesting rental assistance for rehabilitation.
- We accepted four applications for assistance with Lead Based Paint remediation.

The county will test; we will cover non-lead rehab cost @ a ratio of 50/50 and if necessary, fill the gap above the maximum grant threshold. We are committed to reducing lead based paint hazards in rental units in the City of Muskegon and we have made every effort to partner with the county to help our citizens in this regard.

Community Development

In an effort to initiate job growth, we teamed up with the Michigan Works Department and sponsored a Job Fair for Section 3 residents. The attempt was to establish a list of potential workers to assist contractors on our future job sites. In the end, the list consisted of 30 plus individuals and roughly 15 were able to be confirmed as both Section 3 and interested, potential construction workers.

Housing Needs

Goals and objectives per Action Plan 2012 are to maintain affordable housing units while stabilizing neighborhoods as priorities 1 and 2. Specifically,

Objective 1: To serve families direct through...

Goal 1: Emergency repairs/50 households

Goal 2: Vinyl siding; 10 homes

Goal 3: Weatherizing/canceled (returned to draw as Emergency Repair)

Objective 2: Increase housing opportunities

Goal: Construct one new home and rehab 1

Case No.	Type of Repair						Total Amount	Ethnic					Senior	Income		
	R	F	E	P/S	O	Description		B	W	H	A	AI		60%	30 - 50%	20%
2012-01	1						\$3,087.00	1							1	
2012-02	1						\$5,637.00	1								1
2012-03	1						\$4,056.00		1				1			1
2012-04			1				\$907.69		1				1		1	
2012-05	1						\$7,120.00		1						1	
2012-06	1						\$4,543.50	1					1	1		
2012-07	1						\$3,446.56		1						1	
2012-08				1		Water Permit	\$800.00		1						1	
2012-09	1				1	Porch	\$8,114.25	1							1	

2012-10				1			\$405.00	1							1	
2012-11	1						\$6,604.58	1								1
2012-12	1						\$3,675.00	1					1		1	
2012-13		1					\$2,624.00	1							1	
2012-14			1				\$1,459.00	1							1	
2012-15		1					\$2,300.00	1							1	
2012-16	1						\$2,374.00		1					1		
2012-17	1						\$6,769.00			1					1	
2012-18					1	Foundation	\$4,200.00	1							1	
2012-19	1						\$6,724.00		1						1	
2012-20		1				Boiler/Asbestos	\$2,882.00	1							1	
2012-21				1			\$7,291.00		1				1		1	
2012-22				1			\$500.00		1							1
2012-23	1						\$2,830.00	1						1		
2012-24					1	Foundation	\$12,000.00		1						1	
2012-25	1						\$5,833.50				1		1			1
2012-26	1						\$2,676.00		1				1		1	
2012-27	1						\$6,032.13	1							1	
2012-28	1						\$5,377.00		1						1	
2012-29	1				1	Water Heater	\$8,806.00		1				1			1
2012-30				1			\$1,600.00	1					1		1	
2012-31		1			1	Foundation	\$8,707.00	1					1		1	
2012-32			1		1	Asbestos/Duct	\$3,325.00		1					1		
2012-33	1						\$2,614.73		1				1			1
2012-49		1					\$3,895.00	1					1	1		
2012-35				1			\$100.00		1				1			1
2012-36	1						\$7,725.00	1					1		1	
2012-37	1						\$11,625.00		1						1	
2012-38	1						\$5,138.00		1							1
2012-39					1	Water Heater	\$1,035.00	1					1		1	

2012-40	1						\$4,298.00		1					1		1	
2012-41	1						\$7,855.00			1						1	
2012-42	1						\$8,206.00		1								1
2012-43		1					\$2,100.00	1						1		1	
2012-44			1				\$2,695.00	1								1	
2012-45					1	Landing/Steps	\$1,760.00		1					1		1	
2012-46			1				\$4,546.94		1							1	
2012-47			1				\$1,450.00					1		1		1	
	25	6	6	6	8		\$207,749.88	21	22	2	1	1		19	5	32	10

*R=Repair F=Furnace E=Electric P/S=Plumbing/Sewer O=Other

INCOME		
<30%AMI 10	30-50%AMI 32	50-60 AMI 5
HEAD OF HOUSEHOLD		
Male- 18	Female- 29	

Install Total	Supply Total	Total Amount	Ethnic					Income			Senior?		FHH	
			B	W	H	A	AI	30%	50%	60%	Y	N	Y	N
\$1,797.50	\$2,435.94	\$4,233.44	1							1	1		1	
\$2,254.75	\$3,188.36	\$5,443.11	1							1		1		1
\$2,773.75	\$4,211.46	\$6,985.21			1					1	1		1	
\$0.00	\$3,289.75	\$3,289.75	1					1				1	1	
\$2,754.75	\$3,675.29	\$6,430.04		1					1		1			1
\$0.00	\$5,049.42	\$5,049.42	1						1			1	1	
\$0.00	\$6,687.53	\$6,687.53	1					1*				1		1
		\$38,118.50	5	1	1	0	0	2	2	3	3	4	4	3

*occupants are below 30% AMI

Our intent to improve programs and streamline the process by which we assist families was strengthened when we restricted households to 10 years. Families cannot return to receive new housing repairs if the were assisted within the last 10 years. Without limits, our citizens were returning for help annually. As a result of our limits, grant funds can be made available for a longer period of time. We are proud to say that with dwindling resources we were able to meet the needs and be consistent with program regulations regardless of outside funding grants.

For all of our housing programs, we did not displace any homeowner. It is necessary to state that our CDBG funded programs were limited to our entitlement allocation and any additional resources were covered by (PI) Program Income received from the CDBG programming.

HOME

Affordable, decent and safe housing is critical to goals and objectives of the 2011 planned activities. The City of Muskegon's HOMEBUYER (program income available)

ACTIVITIES	5 YR PROJECTION	ANNUAL PROGRESS
Acquisition	2	1
New Construction	5	2 *
Rehabilitation	10	3
Rental	10	8 *
*CHDO Assisted		

Community enCompass – 1 rental unit completed

Homebuyer Program – 4 homes sold:
3 total rehabilitation
1 new construction

Types of Households Served

GENDER	MARRIED	RACE	INCOME	FAMILY SIZE
F	NO	WHI	50% AMI	1
M	NO	BLK	62% AMI	1
M	NO	WHI	70% AMI	1
F	NO	BLK	67% AMI	2
M	NO	BLK	20% AMI	7

PUBLIC STRATEGY

As the governmental entity for our Public Housing Agency, we continue to affirm that their plan fits our consolidated plan supporting suitable living environments for low-income households. To promote homeownership, the City of Muskegon presented to the residents of the Muskegon Housing Commission opportunities to affordable living. Fellow presenters were Muskegon County Habitat for Humanity and a local lender, Community Shores Bank. This setting allowed for discussion and questions but most importantly, information about opportunities to affordable housing programs designed to provide options to public housing.

BARRIERS TO AFFORDABLE HOUSING

To identify barriers to affordable housing is a big task. One area that we see limiting families to our affordable homes is their inability to access a mortgage for purchase. We have a Lease with Option to purchase program but our inventory is usually unavailable because of current tenancy.

During this funding year we received two of those units back through default. One family had serious health concerns and the other employment issues. As a result, we obtained these homes and renovated them for sale within the balance of the 40 months allowed by regulation. One is currently available for lease and the other is pending a sale. Through the new construction of single family homes or the rehabilitation of an existing home, our homebuyer program helps individuals to ownership.

In addition, we have worked with the Fair Housing Agency of West Michigan to identify barriers to families who may have experienced discrimination which can be considered a barrier to affordable housing. Our collaboration with our sister cities support a positive action toward furthering Fair Housing Choice in Muskegon.

This agreement commissions them to address realtors, service agencies and public officials, all in an effort to help eliminate barriers of housing discrimination. Twice a year, we receive reports about what they have found and what they perceive as solutions to any foreseen areas of affordable housing options.

HOMELESS NEEDS

In our Community, Muskegon is an active board member of the Continuum of Care Coalition. Local agencies have proved to be equipped in serving households at risk of becoming homeless.

Actions taken to deter homelessness

- Staff training
- Recruitment of landlords
- Multi-agent programs for at risk families
- Support groups
- Improved housing opportunity facilities

More funding for families in the area of rental assistance was accomplished. Previously cut off from any type of assistance, a family could re-apply for rent subsidy dollars that were released to our area early spring 2012. These federal dollars helped to prevent eviction which leads to homelessness.

NON-HOMELESS SPECIAL NEEDS

People Living Below Poverty

- Our commission members agreed to grant a local sub-recipient additional dollars to help low-income families pay utilities and rent.

LOVE INC

19 Residents of the City of Muskegon were assisted with Rent/Utility Assistance. The following is a breakdown of those receiving assistance:

<u>Income Level *</u>		<u>Service</u>	
Extremely Low	8	Rent	2
Very Low	6	Electric	9
Low	1	Gas	2
		Water	6
<u>Ethnic Group</u>			
Black	16		
White	3		

* Low: 60 – 80% Very Low: 30 – 50% Extremely Low 20% >

We will continue to grant money for the special needs of families at risk of non-homeless priorities that threaten health and safety.

The City of Muskegon is home to a HOPWA funded agency who has submitted plans that coincide with the City's Consolidated Plan as a Housing priority for affordable housing units. The challenges are great but partnering with the Continuum of Care will broaden the opportunities for housing choice. No financial assistance has been given to identify clients but any improvement in local properties is a perceived benefit for any persons facing eviction and struggling to afford a suitable place to live.

Because the City of Muskegon does not receive HOPWA funding, our role is simple: We will assist to meet the needs of all of our citizens regardless of race, religion, color, national origin, age, familial status, marital status, sexual orientation or gender identity.

Emergency Shelter Grant

NOT FUNDED directly but several Continuum of Care coalition members report on the county's funding. The needs of at-risk families have been served by the circle of shelters, programs and community organizations receiving.

COMMENTS